

**TESTIMONY BEFORE THE
BUDGET COMMITTEE ON HUMAN SERVICES
February 25, 2004**

Chairman Svedjan, members of the Budget Committee on Human Services, my name is John Hougen. I am the Director of Public Assistance for the North Dakota Department of Human Services.

The first topic I would like to address is the reauthorization of TANF. Presently TANF is authorized through March 31, 2004 on a continuing resolution. One of two things will happen before the end of March, there will be another continuing resolution that will keep present TANF rules and funding in place for a period of time, or there will be a full reauthorization of TANF. We are presently operating under the third continuing resolution for TANF. No debate has been scheduled in Congress for a full reauthorization of TANF. The House last Summer passed it's version of TANF reauthorization, a bill was also passed out of the Senate Finance Committee and we have the Administration's version of TANF reauthorization. At this time the best guess is that we will see another continuing resolution.

TANF education policy was changed last spring in anticipation of reauthorization. All three versions of reauthorization severely limit education. We approve education activities for a full year and last Spring it looked promising that a full TANF reauthorization would happen. We didn't want to commit TANF recipients to a full year of education, then have to rescind the commitment because of the new TANF rules. Instead we adopted by policy the education limitations that are common to all three versions of reauthorization. Reauthorization has continued to be delayed, but we are seeing no indications that a more liberal view of education is being considered. The policies we have in place will be consistent with what we anticipate will be the rules for education under TANF

reauthorization. We have been flexible in applying the education rules, for example Job Corps and Vocational Rehabilitation clients have been allowed to continue their education. We will not be able to continue this practice under reauthorization unless changes are made in the proposed legislation.

For the caseload and expenditure report on TANF, I would refer you to the attachment. The [Quarterly Budget Insight](#) is available on-line, and will be updated every three months. It replaces the At-A-Glance report that we used to have available. We started to see a drop in TANF caseloads beginning in June of 2003. The caseloads have continued to trend down. We are 25% through the biennium, and 23.7% of the TANF appropriations have been used to date. We anticipate increased savings as we have adjusted the TANF standard of need. TANF families in a shared housing situation or those receiving a housing subsidy will get a grant \$50.00 less than families receiving no assistance with housing. The initial savings reflected in this change will be reflected in the next [Quarterly Budget Insight](#).

This concludes my formal testimony, I will try to answer any questions the committee may have.

Prepared by:

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